

**BEFORE THE TENNESSEE REGULATORY AUTHORITY
NASHVILLE, TENNESSEE**

REGULATORY AUTH.

**IN RE: ALL TELEPHONE COMPANIES TARIFF FILINGS REGARDING
RECLASSIFICATION OF PAY TELEPHONE SERVICE.**

EXECUTIVE SECRETARY

Docket No. 97-00409

**FIRST SET OF DATA REQUEST FROM TENNESSEE PAYPHONE OWNERS'
ASSOCIATION TO SPRINT/UNITED TELEPHONE-SOUTHEAST, INC.**

DEFINITIONS

1. The term "document" shall have the broadest possible meaning under applicable law. "Document" means every writing or record of every type and description that is in the possession, custody or control of Sprint/United Telephone-Southeast, Inc. ("Sprint" or "United"), including but not limited to correspondence, memoranda, work papers, summaries, stenographic or handwritten notes, studies, publications, books, pamphlets, reports, surveys, minutes or statistical compilations, computer and other electronic records or tapes or printouts, including but not limited to electronic mail files; and copies of such writings or records containing any commentary or notation whatsoever that does not appear in the original. The term "document" further includes, by way of illustration and not limitation, memoranda, correspondence, schedules, progress schedules, time logs, drawings, computer disks, charts, projections, time tables, summaries of other documents, minutes, surveys, work sheets, drawings, comparisons, evaluations, laboratory and testing reports, telephone call records, personal diaries, calendars, personal notebooks, personal reading files, transcripts, witness statements and indices.

2. The term “refer or relate to” means consisting of, containing, mentioning, suggesting, reflecting, concerning, regarding, summarizing, analyzing, discussing, involving, dealing with, emanating from, directed at, pertaining to in any way, or in any way logically or factually connected or associated with the matter discussed.

3. The term “communication” means any oral, graphic, demonstrative, telephonic, verbal, electronic, written or other conveyance of information, including but not limited to conversations, telecommunications, and documents.

INSTRUCTIONS

1. If you contend that any response to any data request may be withheld under the attorney-client privilege, the attorney work product doctrine or any other privilege or basis, please state the following with respect to each such response in order to explain the basis for the claim of privilege and to permit adjudication of the propriety of that claim:

- a) the privilege asserted and its basis;
- b) the nature of the information withheld;
- c) the subject matter of the document, except to the extent that you claim it is privileged.

2. These data requests are to be answered with reference to all information in your possession, custody or control or reasonably available to you. These data requests are intended to include requests for information which is physically within Company’s possession, custody or

control as well as in the possession, custody or control of Company's agents, attorneys, or other third parties from which such documents may be obtained.

3. If any data request cannot be answered in full, answer to the extent possible and specify the reasons for your inability to answer fully.

4. These data requests are continuing in nature and require supplemental responses should information unknown to you at the time you serve your responses to these interrogatories subsequently become known.

5. For each data request, provide the name of the company witness(es) or employee(s) responsible for compiling and providing the information contained in each answer.

DATA REQUEST

1. Identify all differences between the revised cost study submitted by United on May 1, 2001, and the most recent cost study filed by United in Docket 97-00888 (Universal Service).

RESPONSE:

2. For each month, January 1997 to present, identify by wire center:
 - (a) The number of payphone lines provided to non-affiliated payphone providers;
 - (b) The number of payphone lines provided to company owned payphones.

RESPONSE:

3. The FCC's Universal Service Order (CC Docket 96-45, released May 8, 1997) includes ten criteria for the development of cost studies for the purpose of developing a universal service fund. (Those criteria are also set forth in the cost study filed by Citizens Communications in this docket (97-00409). As Citizens did when filing its cost study, provide an explanation of whether United's cost study does or does not comply with each of those ten criteria.

RESPONSE:

4. Provide a detailed explanation of all material differences between United's cost study and the cost studies submitted by BellSouth and Citizens Communications in this docket. Include in the answer an explanation of any differences in methodology and any material differences in inputs.

RESPONSE:

5. An expert witness testifying for United in Docket 00-00544 recently testified (tr. Vol. IV-B, pp. 100-101) that the "costs" of United's system should be approximately the same as the "costs" of BellSouth's system. In light of that testimony, provide a detailed explanation of why United's proposed cost-based" payphone rates are more than twice the cost-based rates approved by the Authority for BellSouth.

RESPONSE:

6. Refer to p.1 of United's cost study. The stated purpose of the cost study is to develop a "long run incremental cost (LRIC) study specific to payphone operations.

- (a) Define long run incremental cost as it is used in this context.

- (b) If long run incremental cost is intended by Sprint to mean anything other than the total element long run incremental cost (TELRIC) as defined by the FCC please explain all detail all differences in methodology.
- (c) Define the phrase “payphone operations” as it is used in this context.
- (d) Does the phrase “payphone operations” refer only to payphone access services provided to independent payphone providers?
- (e) If the answer to part d. is yes, explain in detail how the costs that are specific to payphone access services provided to independent payphone providers have been identified.
- (f) Does the phrase “payphone operations” refer only to Sprint’s payphone operations?
- (g) If the answer to part f. is yes, explain in detail how the costs that are specific to Sprint’s payphone operations have been identified.

RESPONSE:

- 7. Refer to page 1. The Introduction section states that a purpose of this docket is to “establish payphone rates.”
 - (a) Describe in detail what is meant by the phrase “payphone rates” in this context.
 - (b) Provide a listing of all rate elements that meet the definition of “payphone rates” set forth in response to part a.
 - (c) For each rate element listed, provide a specific reference that indicates where the cost of each rate element may be found in the cost study filed in this proceeding.
 - (d) If it is Sprint’s position that any of the rate elements listed in part b. have the same cost, explain in detail why the calculated cost is applicable to each rate element.

RESPONSE:

8. Refer to page 3. The Introduction section states that a purpose of this docket is to “remove any subsidies” that benefit Sprint’s payphone affiliates or operations.
- (a) Describe in detail how Sprint believes that the TRA can determine whether any subsidies benefiting Sprint’s payphone affiliates or operations can be detected and removed.
 - (b) Does Sprint agree that in order to detect any subsidies benefiting Sprint’s payphone affiliates or operations that it is first necessary to determine both the revenues and costs that are specific to any such payphone affiliates or operations?
 - (c) If the answer to part b is anything other than an unqualified yes, please explain in detail how Sprint believes such a subsidy could be detected if this relevant revenue and cost information is not available.
 - (d) If the answer to part b. is yes, provide a detailed description of the revenues and costs that are specific to Sprint’s payphone affiliates or operations. Provide specific references to where these costs may be found in the cost study filed in this proceeding.

RESPONSE:

9. Refer to p. 2. Line item 1 is described as “PTAS Monthly Flat Rate.”
- (a) Is it Sprint’s position that the proposed rate on line 1 represents a cost-based rate for the non-usage components of PTAS service?
 - (b) If yes, explain in detail how the underlying costs are specific to PTAS service, and how these costs have been used to develop this cost-based rate.
 - (c) If no, explain in detail why Sprint believes that the proposed rate complies with the FCC requirement that intrastate rates for PTAS service are cost-based.

RESPONSE:

10. Refer to p. 2. Line item 2 is described as "PTAS Usage Rate."
- (a) Is it Sprint's position that the proposed rate on line 2 represents a cost-based rate for the usage component of PTAS service?
 - (b) If yes, explain in detail how the underlying costs are specific to PTAS service, and how these costs have been used to develop this cost-based rate.
 - (c) If no, explain in detail why Sprint believes that the proposed rate complies with the FCC requirement that intrastate rates for PTAS service are cost-based.

RESPONSE:

11. Refer to p. 3. Provide the following information for the costs shown on lines 1 through 4:
- (a) Identify the cost as being specific to PTAS service or not specific to PTAS service. If Sprint asserts that it is appropriate to use a cost that is not specific to PTAS service when developing a cost-based rate for PTAS, explain in detail why the cost in question is appropriate for use in this manner.
 - (b) For all costs that are specific to PTAS, describe in detail how the calculation of cost was conducted in order to be PTAS-specific.

RESPONSE:

12. Refer to p. 4. Provide the following information for the cost and network usage data shown on lines 1 through 8:

- (a) Identify the cost or network usage characteristic as being specific to PTAS service or not specific to PTAS service. If Sprint asserts that it is appropriate to use a cost or network characteristic that is not specific to PTAS service when developing a cost-based rate for PTAS, explain in detail why the cost or network usage characteristic in question is appropriate for use in this manner.
- (b) For all costs or network calculations that are specific to PTAS, describe in detail how the calculation of cost was conducted in order to be PTAS-specific.

RESPONSE:

- 13. Refer to p. 6. The Purpose section states that “the loop cost results are used to determine the cost of the loop component of pay telephone service.”
 - (a) Explain in detail how the loop cost results, as developed in the loop cost study, are used to determine loop costs that are specific to “pay telephone service.”
 - (b) Define the term “pay telephone service” as it is used in this context.
 - (c) Is the term “pay telephone service” intended to mean the same thing as the term “payphone operations” as used on p. 1? If no, explain in detail how Sprint’s intended meaning of these two terms differs.
 - (d) When Sprint refers to “payphone rates” on p. 1, are the rates being referenced the rates for “pay telephone service” as the term is used on p. 6? If no, explain in detail how Sprint’s intended meaning of these two terms differs.

RESPONSE:

14. Refer to p. 6. The Assumptions section contains the statement that “a forward-looking, least cost. Most efficient network is assumed.” Explain in detail what is meant by this statement.

RESPONSE:

15. Refer to p. 6. The Assumptions section contains the statement that “all digital loop carrier systems are assumed to be single-ended.”
- (a) Provide a detailed description of a “single-ended” digital loop carrier system, and explain how it is different from loop carrier systems that are not “single-ended.”
 - (b) Explain in detail why it is appropriate to assume that the local loop facilities used to provide PTAS will utilize on “single-ended” digital loop carrier systems.
 - (c) Describe the specific characteristics of PTAS service that have caused Sprint to determine that only “single-ended” digital loop carrier systems should be assumed.

RESPONSE:

16. Refer to p. 6. The Methodology section refers to SLCM files entitled “Detail Report” and “view_grid_detail.csv.” Provide a copy of all such reports relied on to produce the costs reported on p. 3 of the cost study.
17. Refer to p. 8. The Pay Telephone Loops section describes a method used to calculate the cost of “pay telephone” loops.
- (a) Define the term “pay telephone” as it is being used in this context. Specifically state whether the term “pay telephone” is intended to include services other than PTAS provided to independent payphone providers.
 - (b) Define the term “exchange specific loop cost” as it is used in this section.

- (c) Is the “exchange specific loop cost” specific to PTAS loops? If the answer is anything other than an unqualified yes, provide a complete listing of services that are included in the “exchange specific loop cost.”
- (d) If the “exchange specific loop cost” is not specific to PTAS loops, does Sprint’s methodology assume that the average cost of PTAS loops in a given exchange is the same as the average cost of loops used to provide each of the services listed in your response to part c.?
- (e) If the answer to part d is yes, please explain in detail why Sprint believes that this assumption is valid. Describe and provide complete copies of all studies that have been performed by Sprint or at its direct that support the assumption that for a given exchange, the average cost of a PTAS loop is the same as the average cost of a loop used to provide other services.
- (f) If the answer to part d. is no, explain in detail how the average cost of PTAS loops is being identified in the Sprint cost study.

RESPONSE:

- 18. Refer to p. 35. For each exchange listed in the left-hand column, provide the following information:
 - (a) The average length of a local loop in that exchange.
 - (b) The total investment (cable and wire, circuit, and CO termination) of a local loop in that exchange.
 - (c) The average length of a loop in that exchange used to provide “pay telephone” service, as that term is used at p. 8 of the cost study.
 - (d) The total investment (cable and wire, circuit, and CO termination) of a local loop in that exchange used to provide “pay telephone” service, as that term is used at p. 8 of the cost study.
 - (e) The average length of a loop in that exchange used to provide PTAS service.

- (f) The total investment (cable and wire, circuit, and CO termination) of a local loop in that exchange used to provide PTAS service.

RESPONSE:

- 19. Assume the methodology for determining a “statewide average loop cost” for payphone services utilized by Sprint (as described at p. 8) is used in a cost study.
 - (a) All else equal, if the average length of a PTAS loop in a given exchange is less than the average length of all loops in that exchange, will the calculated “statewide average loop cost” calculated by the cost study for PTAS be overstated?
 - (b) If the average investment of a PTAS loop in a given exchange is less than the average investment of all loops in that exchange, will the calculated “statewide average loop cost” calculated by the cost study for PTAS be overstated?

RESPONSE:

- 20. Refer to p. 39. Explain in detail how the values in the “payphone demand” column were developed.
 - (a) Identify each specific rate element that was tabulated in order to develop the values in the “payphone demand” column.

RESPONSE:

- 21. Refer to p. 39. Explain in detail how the values in the “lines served” column were developed.

RESPONSE:

22. Describe in detail each of the ways in which Sprint believes that the cost of a local loop used to provide PTAS service on its network differs from the cost of a local loop used to provide PTAS service on BellSouth's network.

RESPONSE:

23. Provide a copy of the Area Wide Summary Report for the run of the SLCM/BCPM used to develop the network investments used in the cost study.

RESPONSE:

24. Provide a copy of the Key Elements portion of the SLCM/BCPM results for the run of the SLCM/BCPM used to develop the network investments used in the cost study.

RESPONSE:


25. Provide a copy of the Plant Summary Report portion of the SLCM/BCPM results for the run of the SLCM/BCPM used to develop the network investments used in the cost study.

RESPONSE:

26. Refer to p. 4. Does the cost of Local Switching Cost per MOU reported at line 7 include the cost of custom calling features?
- (a) If yes, explain why the inclusion of these cost is appropriate when developing a cost-based rate for PTAS usage.
 - (b) If no, describe in detail how SCIS was run in order to exclude these costs.

RESPONSE:

Respectfully submitted,



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CERTIFICATE OF SERVICE

I hereby certify that on June 22, 2001 a copy of the foregoing document was served on the parties of record, via U.S. Mail, addressed as follows:

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